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PAGE 1

NATIONAL FOREIGN ASSESSMENT CENTER

WASHINGTON, D. C. 20505

Director

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Under Secretary's Meeting on the COCOM High
Level Meeting

1. Lionel Olmer called the first meeting of the Under Secretary's Group on 16 November to discuss US strategy for the COCOM High Level Meeting (HLM).

2. A status report was provided by participants in the US bilateral discussions for the COCOM HLM that were held in the latter part of October in Tokyo, London, Paris and Bonn. These consultations revealed the following information:

o All agreed that HLM would be a political meeting to deal with broad matters of COCOM, but there was lots of opposition to US proposals on economic grounds to broaden the strategic criteria of COCOM and to expand controls into nine defense-related industries. The Allies, however, were generally agreeable to improve COCOM procedures and enforcement.

o Germany was farthest from agreeing with the US proposals, while the UK and France were more supportive and Japan was somewhere in the middle.

o The French are developing a list narrower than the present COCOM list which they consider to be strategic items that they will not send to Communist destinations.

o The HLM would be the first meeting in a continuing dialogue on strategic trade controls.

State Dept. review completed

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PAGE 2

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o On timing, the Allies prefer to hold the meeting to be hosted by the French, during the week of 18 January 1982, when an OECD Special Session will bring a number of the principals to Paris. A reinforced COCOM Working Group will be held early in December to prepare for the HLM. The US side has not yet responded to these proposed dates.

o Defense, Ikle and DeLauer, favored pushing Germany and Japan rather hard to cooperate in the COCOM framework or be subject to more direct US pressure on various co-production and defense arrangements with the US. This message would be given to them before the HLM.

3. For our part, I agreed that CIA would provide a technological threat assessment briefing on Western technology supporting the Soviet military and defense industries as well as on the effectiveness of COCOM. I also intend to raise the clandestine leakage and diversion problems [redacted]

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4. As an aside, Meyer Rashish, commented briefly on his recent trip to Germany to discuss US concerns over the West Europe-Siberian pipeline. He is considering putting forward a high level policy proposal on the control of US technology that is available through US subsidiaries abroad. This extra-territorial reach of the US into subsidiaries abroad is a highly delicate political issue. He also noted that the International Energy Agency is planning to gear up a study next June on European energy security in natural gas that will hopefully set in process a coherent European review of this subject.

/s/
John McMahon

cc:

1. Addendum
2. DDCI
3. D/NIC

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